

NEW SECTION

WAC 390-05-527 Spent contributions. (1) The statute regarding contribution limits at RCW 42.17.700 was amended effective June 7, 2006 by Chapter 348, Laws of 2006. Section 4 of Chapter 348 amends the law to enact a subsection (2) to provide in part that "contributions that exceed the contribution limitations and that have not been spent by the recipient of the contribution by the effective date of this act must be disposed of in accordance with RCW 42.17.095 except for subsections (6) and (7) of that section."

(2) For the purposes of Section 4 of Chapter 348, "spent" means to pay for or obligate payment and consume the contribution in one of the following ways by 11:59 p.m. on June 6, 2006:

- (a) the service has been rendered;
- (b) the goods have been received;
- (c) the in-kind contribution has been utilized, applied or otherwise exhausted; or
- (d) the media buy has been used, or the political advertisement or electioneering communication has run.

(3) Here are some examples of what "spent" means for candidates subject to the new contribution limits of Chapter 348:

(a) **Example A.** A candidate used monetary contributions s/he received by 11:59 p.m. on June 6, 2006 to pay for brochures delivered on or before that date to the campaign. Those contributions were spent prior to June 7 because the brochures were in-hand and available for use by the campaign before the effective date of Chapter 348.

(b) **Example B.** A candidate retained a consultant and pre-paid that consultant for campaign services through June 30, 2006 using contributions received by 11:59 p.m. June 6, 2006. Only those contributions used to pay for the consultant's services provided before June 7, 2006 are considered spent by the campaign.

(c) **Example C.** A candidate subject to a \$700 per election contribution limit received on May 31, 2006 an in-kind contribution of television airtime for the week of September 4, 2006. The airtime has a fair market value of \$1,000. Since the contribution has not been utilized by 11:59 p.m. on June 6, 2006 (the media buy has not been used by that time and date), the contribution has not been spent. Therefore, it is subject to the \$700 limit and must be returned to the contributor.

(d) **Example D.** A candidate picked up 500 yard signs on May 31, 2006 and charged them to the campaign's credit card. Even

if the bill is not sent to the campaign by the credit card company until after 11:59 p.m. on June 6, and thus the bill has yet to be paid by that time and date, the contributions for this expenditure are considered spent before the effective date of Chapter 348.